



Federal Communications Commission  
Washington, D.C. 20554

December 20, 2002

Jonathan Banks  
General Counsel-BellSouth D.C.  
1133 21st Street, N.W., Suite 900  
Washington, D.C. 20036-3351  
Fax (202) 463-4141

RE: Section 271 Compliance Review Program for Florida and Tennessee

Dear Mr. Banks:

As you know, the Commission recently granted BellSouth's application to provide in-region interLATA toll service in Florida and Tennessee pursuant to section 271 of the Communications Act of 1934, as amended ("the Act"). *See Joint Application by BellSouth Corporation, BellSouth Telecommunications, Inc., and BellSouth Long Distance, Inc. for Provision of In-Region, InterLATA Services in Florida and Tennessee*, WC Docket No. 02-150, *Memorandum Opinion and Order*, FCC 02-307 (rel. Dec. 19, 2002) ("Order"). The Enforcement Bureau ("the Bureau"), therefore, will now monitor BellSouth's continuing compliance with section 271 through the Section 271 Compliance Review Program. This program is based on a structured and systematic approach to compliance review and enforcement. The Bureau has assigned a team of auditors, attorneys, and other professional staff from the Investigations and Hearings Division ("Compliance Review Team" or "Team") to work with BellSouth through the duration of the review and to monitor BellSouth's performance in Florida and Tennessee. The primary team members responsible for this review are Hillary DeNigro, Attorney and Mark Gerner, Auditor.

During the review, the Team will closely review BellSouth's performance in subject matter areas that the Commission has identified as areas of concern in the section 271 Order. In this regard, we have enclosed with this letter an attachment listing the specific performance measures and other areas about which the Commission expressed its concern in the Order. Although the Bureau will focus its review on these areas, it may also monitor other areas not noted by the Commission in the Order. Generally, the Bureau's review will occur in three phases.

**Phase 1:** The Phase 1 review will occur during the first six months following the section 271 grant. A representative from the Bureau will contact BellSouth to schedule a planning meeting with BellSouth representatives and the Team overseeing the review. The purpose of this meeting is to provide BellSouth with the opportunity to participate in developing the Review Program and to assist the Bureau in selecting the type and format of information pertaining to BellSouth's performance that the Team will review. BellSouth should be prepared to discuss the areas of concern that the Commission noted in the 271 Order (also listed in the attachment to this letter) and to identify knowledgeable employees, applicable corporate records, and computer systems related to these areas. Following this meeting, the Team will send a follow-up letter to

BellSouth memorializing the discussions at the meeting and describing the information BellSouth is responsible for submitting to the Bureau approximately six months after the approval date (*i.e.*, June 30, 2002). The Team will also continue to monitor BellSouth's performance during Phase 1 through the monthly state summary performance reports the Commission's Order required BellSouth to submit.

**Phase 2:** The second phase will proceed similarly to the first but will occur during the second six-month period after the grant. Specifically, the Team will send another request for information to BellSouth. The information responsive to this request will be due at the end of this period (approximately December 30, 2003). At that time, the Bureau will require BellSouth to update information it already submitted and to provide additional information concerning its continuing performance in Florida and Tennessee. Also, as in Phase 1, the Team will continue to monitor BellSouth's performance through the monthly state summary reports. The Team will not limit its review in Phase 2 to performance data or information from only the second six-month period; rather, when evaluating the need for any further action, the Team will consider all of the post-authorization data and information.

**Phase 3:** The third phase of the review will begin after BellSouth submits the information the Team required in Phase 2 and will consist of less formal contacts and inquiries by the Bureau.

At any time during this review, the Team may ask BellSouth to provide additional information or to attend additional meetings with BellSouth employees who have expertise in specific subject matters. These additional inquiries may supplement existing requests or may encompass new inquiries.

Finally, BellSouth should provide to the team at the initial meeting during Phase 1 the names and contact information of employees who are authorized to respond to requests for information on behalf of the corporation. If you have any general questions concerning the issues raised in this letter, please feel free to contact me at (202) 418-1420. You may also contact William Davenport, Assistant Chief, Investigations and Hearings Division at (202) 418-1034 or Trent Harkrader, Section 271 Compliance Review Program Team Leader at (202) 418-2955. Thank you in advance for your cooperation.

Sincerely,

Maureen F. Del Duca  
Deputy Chief, Investigations and Hearings Division  
Enforcement Bureau

cc: Kathleen B. Levitz  
Vice President - Federal Regulatory